

Senate File 2124 - Introduced

SENATE FILE 2124

BY GREENE

A BILL FOR

1 An Act exempting from the sales and use tax the sales price
2 of a cannabidiol product sold by an authorized medical
3 cannabidiol manufacturer or medical cannabidiol dispensary.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.3, Code 2020, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 107. The sales price of a medical
4 cannabidiol product sold by a medical cannabidiol manufacturer
5 or a medical cannabidiol dispensary licensed pursuant to
6 chapter 124E.

EXPLANATION

8 The inclusion of this explanation does not constitute agreement with
9 the explanation's substance by the members of the general assembly.

10 This bill exempts from the sales and use tax the sales
11 price of a cannabidiol product sold by a medical cannabidiol
12 manufacturer or medical cannabidiol dispensary licensed
13 pursuant to Code chapter 124E.

14 By operation of Code section 423.6, an item exempt from the
15 imposition of the sales tax is also exempt from the use tax
16 imposed in Code section 423.5.